



THE COMMONWEALTH OF MASSACHUSETTS

**DEPARTMENT OF
TELECOMMUNICATIONS & ENERGY**

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June 13, 2006

VIA EMAIL AND USPS

Thomas P. O'Neill
Senior Counsel
KeySpan Energy Delivery
52 Second Avenue
Waltham MA 02451

RE: KeySpan Energy Delivery New England - Agency and Management Services
Agreement with Northeast Gas Markets, D.T.E. 06-41

Dear Attorney O'Neill:

Enclosed please find the first set of information requests issued by the Department of Telecommunications and Energy in the above-captioned matter. Pursuant to the procedural schedule, please submit the Company's responses to the Department on or before 5:00 p.m., Wednesday, June 28, 2006. If you have any questions regarding the information requests, please contact me at 617-305-3561.

Sincerely,

/s/
Carol M. Pieper
Hearing Officer

Encs.

cc: D.T.E. 06-41 Service List (w/encs.)

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**FIRST SET OF INFORMATION REQUESTS OF THE
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY
TO KEYSpan ENERGY DELIVERY, D.T.E. 06-41**

Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy (“Department”) submits to KeySpan Energy Delivery (“KeySpan” or “Company”) the following Information Requests.

Instructions

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case, and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witnesses receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term “provide complete and detailed documentation” means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers.
5. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please file one copy of the responses with Mary L. Cottrell, Secretary of the Department; also submit two (2) copies of the responses to Carol M. Pieper, Hearing

Officer, one (1) copy of the responses to Andreas Thanos, Assistant Director, Gas Division, one (1) copy of the responses to Rebecca Hanson, Analyst, Gas Division, and one (1) copy of the responses to Elizabeth Jackson, Analyst, Gas Division.

8. In addition to filings, all non-proprietary responses should be submitted by e-mail to dte.efiling@state.ma.us and to the e-mail address of any party required to be served.
9. Responses are due on or before June 28, 2006.

Requests

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| DTE-1-1 | Refer to Exhibit 1, at page 4 (Article II, Section 1). State when the operating manual is expected to be distributed to each Alberta Northeast Gas Limited (“ANE”) customer. |
| DTE 1-2 | Refer to Exhibit 1, at page 5 (Article II, Section 2.A.7.). State how would it be determined, and by whom, that the annual inspection of a meter station would be witnessed by Northeast Gas Markets LLC (“NEGM”). |
| DTE 1-3 | Refer to Exhibit 1, at page 5 (Article II, Section 2.A.14). Explain how direction by the ANE customers would be given concerning requests for proposals for gas supplies. |
| DTE 1-4 | Refer to Exhibit 1, at page 6 (Article II, Section 2.C.4). State whether the reports to ANE and ANE customers are provided in written format. |
| DTE 1-5 | Refer to Exhibit 1, at page 6 (Article II, Section 2.D.5.). Explain how directions from ANE and the ANE customers concerning needed services would be given. |
| DTE 1-6 | Refer to Exhibit 1, at page 7 (Article III). Explain in detail how the voting process works for both Long Haul and Short Haul customers. |
| DTE 1-7 | Refer to Exhibit 1, at page 7 (Article III). State whether KeySpan has a majority equity interest in NEGM. If so, state whether KeySpan, as an affiliate, is impacted in any manner other than the ability to renegotiate or vote on the terms of compensation for NEGM. |
| DTE 1-8 | Refer to Exhibit 1, at page 8 (Article V, Section 1). Describe the circumstances under which the Operations Demand Charge (“ODC”) would be modified. |
| DTE 1-9 | Refer to Exhibit 1, at pages 8-9 (Article V, Section 1). Explain the reasoning for the time frames of October 31, 2010, and January 31, 2011, for the renegotiation of the ODC. |

- DTE 1-10 Refer to Exhibit 1, at page 9 (Article V, Section 2). Describe the oversight role NEGM and KeySpan will have over these outside providers.
- DTE 1-11 Refer to Exhibit 1, at page 9 (Article V, Section 2). Discuss the circumstances that would require NEGM to seek outside services, and describe the process by which NEGM will select such service providers. State whether KeySpan will be involved in this selection process. If yes, describe KeySpan's expected involvement. If no, discuss why not.
- DTE 1-12 Refer to Exhibit 1, at 11 (Article VII). State the actual commencement date of the contract.
- DTE 1-13 Refer to Exhibit 1, at page 14 (Article VIII, Section 14). Describe what an A.M. Best Rating is.
- DTE 1-14 Refer to Exhibit 1, at page 14 (Article VIII, Section 14). Describe the process by which an A.M. Best rating of A- was deemed acceptable.
- DTE 1-15 Refer to Exhibit 1, at page 14 (Article VIII, Section 14). Identify the insurance carriers that will provide coverage under this Agreement, including their names and A.M. Best ratings.

Dated: June 13, 2006